

Speak Out

Priorities, Partnerships and Progress

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Prior to the Lingle-Aiona administration, the Department of Labor and Industrial Relations (DLIR) was widely criticized by the business community and local publications for being either vindictive, heavy-handed or a political vehicle used to intimidate adversaries. Whether real or imagined, this reputation contributed to Hawaii's anti-business reputation.

During the past three years, we have undertaken two major initiatives to change this reputation and improve the business climate for those in the construction industry:

1. Changing the way the Hawaii Occupational Safety and Health (HIOSH) Division ensures a safe workplace;

2. Reforming our workers' compensation law and administrative rules, as well as our internal procedures.

For years, the DLIR's HIOSH program received wide-ranging criticism for how it operated and public calls to address administrative issues that plagued the division. In 2003, HIOSH's Consultation and Training Branch operated two different achievement and recognition programs designed to create a public-private business partnership to promote and recognize outstanding safety and health programs.

The first program, the Volunteer Protection Program (VPP), assists and recognizes large corporations. The Safety and Health Achievement Recognition Program (SHARP) is designed for small businesses. When the current administration took over the HIOSH program, there was only one corporation participating in the VPP program and no companies in the SHARP program. This lack of participation from the private sector exemplified the mistrust employers had with the HIOSH program and their reluctance to invite government consultants onto their worksites.

The improvements we have made in

the HIOSH program can best be demonstrated by the number of workers' compensation claims filed since 2002. In 2003, Hawaii employees filed 28,668 claims, a reduction of 1,089 from 29,757 in 2002. In 2004, 26,321 claims were filed, a reduction of 2,347 or 8.19 percent from the previous years. As a result, some businesses will likely see a reduction in their work comp program.

Last year, HIOSH took this collaboration and partnership to a new level by partnering with contractors and labor organizations and launched a statewide safety awareness campaign entitled "Tie Off...It's Your Life." The campaign was designed to raise awareness among construction industry workers and their families about the importance of Hawaii's Fall Protection Law. The campaign emphasized how workers can protect themselves from injury or death as a result of a fall.

Through extensive outreach and implementing a philosophy of partnership and consultation, the HIOSH program now has four VPP companies and 25 SHARP companies, with 45 pre-SHARP companies currently working with HIOSH consultants to achieve SHARP status.

As many of you are aware, workers' compensation has been a critical concern to our administration and the focal point of the DLIR's legislative agenda. In the past, businesses and employers voiced their frustration with the state's workers' compensation system. However, it wasn't until the DLIR released its own comprehensive study of problems within the system — an omnibus reform bill that addressed several cost drivers, administrative rule changes and internal procedural changes — did the Legislature place workers' compensation reform as a top priority in the past two sessions.

Unfortunately, the Legislature's attempts to reform the system have been to pass bills requiring the insur-

ance commissioner only to investigate employers for workers' compensation fraud and to restrict the director of DLIR from implementing simple mandates such as insuring quality medical treatment for injured employees.

While the Legislature has blocked all legislative and administrative efforts to reform our system, we have worked hard to make meaningful improvements in our internal processes and administration.

To ensure that Hawaii's employers and employees have confidence in the decisions rendered by the DLIR, we brought the National Judicial College (NJC) to Hawaii to train and educate our hearings officers. The NJC is the same organization that trains many of our state judges before they take the bench.

In our efforts to reduce the amount of time injured workers remain off the job, we implemented several internal procedures to expedite the resolution of claims before the DLIR. One procedure was to "double book" hearings, similar to what is done at the judicial court system, in order to resolve cases faster. If one case settles, a stand-by case is ready to proceed to hearing in that time slot. We are also taking a firm position not to postpone hearings, unless there is a compelling reason to do so. As a result of this new philosophy, our Honolulu office conducted 15 percent more hearings: 1,385 cases in 2004 to 1,594 cases in 2005.

Today's DLIR is dedicated to transparency and fairness to assure both employers and employees that the state's labor laws are administered fairly. Hawaii's construction industry is able to benefit from these improvements due to the dedication and hard work of my fellow public employees. I look forward to working with Hawaii's employers, employees and our personnel to continue making improvements in 2006.

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